

**MINUTES OF THE PUBLIC HEARING OF THE
BEXAR APPRAISAL DISTRICT
BOARD OF DIRECTORS
SEPTEMBER 10, 2024**

The Board of Directors of the Bexar Appraisal District met for a public hearing at 411 N. Frio in San Antonio, Texas on September 10, 2024 at 2:00 p.m. The items of business were acted upon as shown in the following minutes.

A. Call to Order

Mr. Dave Gannon, Board Chair, called the meeting to order at 2:00 p.m. and acknowledged the presence of the following directors:

Dr. Ralph Barksdale
Mr. Robert Bruce
Mr. Jon Fisher
Councilwoman Adriana Rocha Garcia
Ms. Erika Hizel
Ms. Naomi Miller
Ms. Rebecca Ruiz
Mr. Albert Uresti

Mr. Gannon mentioned that representatives of the district were in Denver a few weeks ago at a meeting of the International Association of Assessing Officers and that the district received a Certificate of Excellence and Assessment Administration, along with two of the district's staff receiving their individual IAAO designations.

B. Public Comment Period

Mr. Gannon commented that 12 emailed comments had been received word for word and for the sake of time the first comment would be read along with the names of the citizens that submitted.

The list included:

Gary and Christina Ladyko
William and Elizabeth Fecci
May K. Douglas, Fair Oaks Ranch
Hugh Arendall
Douglas Family Revocable Living Trust
Joanie Alexander
Frank Acosta Jr.
Brian Pierce
Susan Masters
Louis Sanchez
Cheryl Aycock

Their memos reflected support for the motion before the board suggesting the board should consider future appraisals to reflect the cost of living plus three percent.

Daniel Villareal (emailed statement) suggested appraising every other year would cause the appraisal district to become misaligned with the state and for the school district to lose \$16 million or more.

Dr. Jaime Aquino (emailed statement) stated the district's recommended plan would pose a significant negative impact to the school district's ability to manage its budget and tax rate.

Tricia Cruz (emailed statement) stated the appeal process is time consuming and that any residential property that is increased by 5% must be justified by the appraisal board.

Rolando Ramirez (emailed statement) stated moving appraisals to every other year would create disparities among properties and that the appraisal district may face a higher debt service tax which would prevent the school district from benefitting from tax rate compression.

Joseph Saporito (emailed statement) stated he was in favor of the appraisal district reappraising residential properties every two years and that if the reappraisal increased more than five percent, the district must provide clear and convincing evidence of that increase.

G.L. Lamborn (emailed statement) stated the San Antonio Board of Realtors had provided data showing property values for 2022 had declined and the appeal process is flawed.

David Clark (emailed statement) stated that if annual appraisals ended, school districts would lose \$25 million to \$75 million in funding with additional state losses.

Patricia D. Keene and Lynn D. Keene (emailed statement) stated annual reappraisals could lead to unpredictable and steep increases and that if properties increased more than five percent the district needed to provide clear and convincing evidence.

Wesley Scott (emailed statement) stated non-appraised properties that experience market increases are subject to review by the Property Value Tax Study and failing the PVS would affect state funding.

Tom Cummins (emailed statement) stated opposing the proposal would damage public school districts financially and would cost the North East ISD \$16 million dollars each year.

Brian Hovey (emailed statement) stated Bexar County residents did not protest their home values due to not understanding the process, the time needed and resources to determine a value.

Grant Moody (emailed statement) stated granting a successful protestor, a one-year rollover without requiring them to go through the appeal process again promoted efficiency, fairness, and understanding of the challenges faced by our residents.

Melinda Cox (emailed statement) stated the district should not sacrifice the importance of much needed dollars to our students, staff and parents as funding had not increased since 2019.

Melinda Espiritu-Azocar (emailed statement) stated delaying appraisals by a year would force schools to operate with outdated financial data, delaying increases for teacher salaries, classroom resources, and student programs.

Julia Grizzard (emailed statement) stated she believed the plan would result in consequences that would worsen by moving to two-year appraisals and highly recommended the board not support the proposed reappraisal plan.

Mark Dorazio (emailed statement) stated ceasing to reappraise residential property in the immediate year after a successful appeal would assist residents who are in tight financial condition.

Suzie Bayne, in attendance, stated the reappraisal plan being discussed should take into consideration the homeowners that have successfully appealed their appraisals. Homeowners that have had a decrease in value would not be affected and they would be benefitting.

Gim Chin, emailed to speak but not in attendance.

Ruth Forehand, in attendance, stated she hoped these highlights brought to the board's attention to some of the frustration from the public and she would support an every other year appraisal process.

Velma Pena, in attendance, stated the reappraisal plan is welcomed but the main concern is having the two-year reappraisal plan not working in the public's favor.

Brady Alexander, in attendance, stated the appraisal process in older neighborhoods needed to be fixed that the school district's budget should not be a homeowner's responsibility, and that the City of San Antonio gives plenty of tax-exempt projects through the San Antonio Housing Trust.

Claudia Sanchez, in attendance, stated working-class communities are not able to attend board meetings during the day due to the time, lack of transportation and it would be more accessible to the community to have meetings in Spanish.

John Craft, in attendance, stated placing a five percent threshold where the appraisal district would have to provide clear and convincing evidence would be outside of what the school district had proposed for its budget.

Mitch Meyer, in attendance, stated the appeal process is time consuming and takes resources, and that the administration of the appraisal process is broken and needs to change.

Johnny Rodriguez, in attendance, asked if the appraisal district is considering a two-year reappraisal plan with the possibility of one year in that cycle, how would the appraisal district address it for the following year?

C. Public hearing as required by Section 6.06 of the Texas Property Tax Code, regarding:

Presentation by the chief appraiser and district staff member(s) summarizing the proposed 2025 operating budget.

Mr. Rogelio Sandoval, Chief Appraiser, thanked the Budget Ad Hoc Committee members, Ms. Ruiz and Mr. Gannon, for meeting to discuss the preliminary 2025 budget, adding the district needed to send the preliminary budget to all taxing units for approval before September 15th. He continued stating that the district was requesting a 2025 budget of \$28,175,700 which is an 8.7% increase from the 2024 budget of \$2,274,500. He added that the highlights of the increases were the unfunded mandate for the election for the board members with the district reserving \$1,000,000 and an additional 60 positions within the Customer Service and Residential Departments to include three clerks, one supervisor, and two appraiser positions.

Mr. Gannon asked for clarification on the election costs. Ms. Crystal Khantharoth, Finance Director, confirmed that the first election was \$805,667.58 and the district had paid \$402,833.79 to date. She added the initial cost for the runoff was \$584,108.45 and currently the total cost of the runoff was \$1,389,786.03. She stated the district still had an estimated balance of \$552,368.11 as the elections department has yet to provide a final audit for the remaining balance due.

Mr. Gannon confirmed that once the Public Hearing Meeting was adjourned the board will then proceed to the regular board meeting that will include Executive Session.

D. Public hearing as required by Section 6.05(i) and 25.18 of the Texas Property Tax Code, regarding:

Presentation by the chief appraiser and district staff member(s) summarizing the proposed 2025 and 2026 biennial reappraisal plan.

Mr. Sandoval addressed the board to provide specifics within the 2025-2026 Reappraisal Plan referring to Page 18 of the reappraisal plan which specifies that in accordance with Tax Code Section 23.01 under Subtitle F, the reduced value will stand in the next year unless the change is supported by "clear and convincing evidence". He stated this standard requires a higher level of evidence than a preponderance of evidence and when reviewing individual property appraisals in the year after a resolution, the appraisal district staff relied on market evidence to determine if the market value should be adjusted based upon clear and convincing evidence. He continued stating that if the value is determined as a result of protest under Section 41.41(a) or an appeal under Section 42.26 concerning unequal appraisal, the district could justify an increase by correction of any inequalities in the property's appraisal in relation to like kind and character. Mr. Scott Griscom, Assistant Chief Appraiser, passed out data and statistics for discussion relating to information that was discussed during the previous board meeting regarding homestead caps and market values.


Councilwoman Adriana Rocha Garcia added that she submitted a memo to the City of San Antonio's Intergovernmental Relations Committee to ask for help at the next legislative session relating to MLS Data being used as evidence during appeals, increasing legal resources to CADS, looking into an increase in exemption amounts, how we could provide relief to legacy homeowners and how gentrification affects our cities.

Mr. Gannon confirmed that aside from the language that was highlighted earlier, the recommendation to the board for the annual reappraisal without thresholds would be the same as presented.


No further discussion or action was taken.

E. Adjourn the hearing

There being no further business, the September 10, 2024 Public Hearing adjourned at 3:41pm



Chair



Secretary

10/22/2024

Date

**MINUTES OF THE MEETING OF THE
BEXAR APPRAISAL DISTRICT
BOARD OF DIRECTORS
SEPTEMBER 10, 2024**

The Board of Directors of the Bexar Appraisal District met for a meeting at 411 N. Frio in San Antonio, Texas on September 10, 2024 at 3:59 p.m. The items of business were acted upon as shown in the following minutes.

A. Call to Order

Mr. Dave Gannon, Board Chair, called the meeting to order at 3:59 p.m. and acknowledged the presence of the following directors:

Dr. Ralph Barksdale
Mr. Robert Bruce
Mr. Jon Fisher
Councilwoman Adriana Rocha Garcia
Ms. Erika Hizek
Ms. Naomi Miller
Ms. Rebecca Ruiz
Mr. Albert Uresti

B. Public Comment Period

All members of the public that were signed up to speak addressed the board during the Public Hearing.

C. Minutes

Ms. Ruiz made a motion to approve the minutes from the August 20, 2024 board meeting as written and Ms. Miller seconded the motion which was unanimously approved.

D. Adjourn to Executive Session

Board members adjourned to closed session at 4:04pm.

All board members reconvened at 4:23pm. No action was taken upon reconvening in open session.

E. Discussion Item (*Erika Hizek, Board Member*)

Discuss due diligence on constituencies impact to include schools and follow up from last meeting.

Ms. Erika Hizek presented the *Housing Report for San Antonio – New Braunfels, Spotlight on January 2024* from The Texas Real Estate Research Center at Texas A&M University focusing on economic news and housing updates. She stated the data presented was 2020-2021 and 2022-2023 financial data from Northside ISD and showed there was significant revenue being received from tax payers in the amount of \$879,000,000.

F. Discussion Item (Erika Hizek, Board Member)

Discuss what constitutes “clear and convincing evidence” that results in a tax value notice.

Mr. Tommy Allison, Assistant Chief Appraiser, confirmed that the district included the “clear and convincing evidence” question on, page 18 of the 2025-2026 reappraisal plan. Mr. Scott Griscom, Assistant Chief Appraiser, stated that the data on page four is the same data that the district uses to determine trends when determining value. Mr. Allison added that page 31 of the reappraisal plan includes the general algorithm that is used to appraise residential properties.

G. Reappraisal Plan Motion (Robert Bruce, Board Member)

Motion would not require reappraisal in the year following settlement of a contested value agreed to by the parties, excepting only new construction or new improvements or evidence of a reduction in value.

Mr. Gannon confirmed with Mr. Bruce that the recommendation to the reappraisal plan presented by the staff would stand as is with the two modifications reflected in the mentioned motions. Mr. Rogelio Sandoval, Chief Appraiser, asked for clarification that if a property owner had their value lowered through an appeal but the district’s analysis showed the value went down even further, it would not require reappraisal in the year following the supplement. Mr. Gannon confirmed that the annual reappraisal presented by the district staff would be passed in its entirety with these two modifications.

Mr. Bruce moved to approve the motion to not require reappraisal in the year following settlement of a contested value agreed to by the parties, excepting only new construction or new improvements or evidence of a reduction in value which was seconded by Councilwoman Garcia. Mr. Gannon asked all members of the board of directors who supported Motion G, to raise their right hand. The following members voted in agreement and the motion passed unanimously:

Dr. Barksdale
Ms. Ruiz
Mr. Uresti
Councilwoman Garcia
Mr. Gannon
Mr. Fisher
Mr. Bruce
Ms. Hizek
Ms. Miller

H. Reappraisal Plan Motion (Robert Bruce, Board Member)

Motion per the State Property Tax Code regulations on or before March 15th prior to rendering the year’s values on April 15th, any mass appraisal resulting in increases greater than 5% will be presented to the Board of Directors of review, with particular emphasis on clear and convincing evidence supporting the increases.

Mr. Uresti stated he was against the motion. Mr. Bruce stated he would like to find an alternative as the district needed to be proactive. Councilwoman Garcia recommended the board to form a sub-committee to revisit this topic. Mr. Gannon reiterated to the board that the reappraisal plan needs to be passed by September 15th and asked if the reappraisal plan could be amended if needed. Mr. Griscom confirmed that Page 18 of the reappraisal plan stated it could be amended if there was a disaster declaration by the Governor.

Mr. Uresti made a motion to table agenda item H for a later time which Dr. Barksdale seconded. The following members voted in agreeance and the motion passed unanimously:

Dr. Barksdale
Ms. Ruiz
Mr. Uresti
Councilwoman Garcia
Mr. Gannon
Mr. Fisher
Mr. Bruce
Ms. Hize
Ms. Miller

I. 2025 - 2026 Reappraisal Plan

Mr. Gannon asked to confirm one last motion to approve the appraisal plan as submitted with the modification approved in item G. Ms. Miller moved to confirm the appraisal plan as submitted with the modification adding item G which Councilwoman Garcia seconded. The motion was unanimously approved.

J. 2025 Operating Budget

Mr. Sandoval presented the board with the 2025 budget information and highlights and restated the amount was \$28,175,700 an increase of \$2,274,500 or 8.78% from 2024, adding the bulk of that was due to the unfunded election mandate and additional staff.

Ms. Miller made a motion to adopt by resolution to the 2025 operating budget for the Bexar Appraisal District. Mr. Fisher seconded the motion which was unanimously approved.

K. Contract – Exchange Online Subscription Microsoft

Ms. Crystal Khantharoth, Finance Director, asked for board approval for the district to enter into a contract for the Exchange Online for Microsoft 365 ES subscription in the annual amount of \$77,213 for a three-year agreement for a total of \$231,638.

Ms. Hize made a motion to approve the district entering into a contract for the Exchange Online for Microsoft 365 ES subscription. Dr. Barksdale seconded the motion which was unanimously approved.

L. Contract – Telecommunications and Mineral Services

Ms. Khantharoth, Finance Director, asked for board approval for the district to enter into a contract with Capital Appraisal Group for Telecommunication and Mineral Services. The contract amount is \$78,190 for January 1, 2025 to December 31, 2025.

Ms. Miller made a motion to approve the district entering into a contract with Capital Appraisal Group for Telecommunications and Mineral Services. Dr. Barksdale seconded the motion which was unanimously approved.

M. Contract – Laser Printing/Mailing Services

Ms. Khantharoth asked for board approval for the district to enter into contract with VariVerge for Laser Printing and Mailing Services in the amount of \$354,451 which will start December 1, 2024 through November 30, 2025.

Mr. Fisher made a motion to approve entering into a contract with VariVerge for Laser Printing and Mailing Services. Mr. Gannon seconded the motion which was unanimously approved.

N. Selection of the Appraisal Review Board Ad Hoc Committee

Mr. L. Christopher White, Tax Payer Liaison, addressed the board of directors regarding the Appraisal Review Board Ad Hoc Committee which would review applications, interview applicants, and make appointment recommendations. He stated the board of directors may want to consider appointing two elected officials, adding and two appointed officials, adding the board would also be selecting the ARB Chair and ARB Vice Chair. Mr. Gannon asked for a timeframe and how much time the board has to allocate. Mr. White provided key dates and mentioned that this information will also be emailed to the Ad Hoc Committee Members.

Dr. Barksdale moved to appoint Ms. Miller, Ms. Hizel, Mr. Bruce, and himself to the ARB Ad Hoc Committee and Mr. Gannon as backup when needed. Mr. Fisher seconded the motion which was unanimously approved.

O. Increase Appraisal Review Board members

Mr. White addressed the board asking them to increase the number of Bexar Appraisal Review Board members from 50 to 65.

Ms. Miller made a motion to approve by resolution increasing the members of the Appraisal Review Board. Mr. Fisher seconded the motion which was unanimously approved.

P. Chief Appraiser Reports

The following reports were moved to October's agenda for further discussion.

- 1. Financial Condition**
- 2. Appraisal Records**
- 3. District Operations**

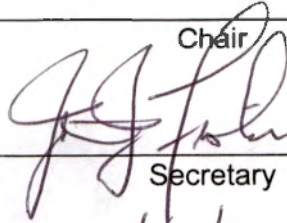
Q. Adjourn

Mr. Gannon asked for a motion to adjourn. Ms. Ruiz approved the motion and Dr. Barksdale seconded the motion which was unanimously approved.

There being no further business, the September 20, 2024 board of directors meeting adjourned at 6:01 p.m.



Chair



Secretary

10/22/2024

Date